AMENDMENTS TO THE DRAWINGS

The attached sheet 3/8 of the drawings includes changes to Fig. 3. This sheet, which

includes Figs. 3-4, replaces the original sheet that included Figs. 3-4.

In Fig. 3, the caption "To Plam" was a misspelling of "To Palm" and has now been

amended to "To PDA," to correctly indicate that the illustrated interfaces are applicable to

any type of PDA. Palm is a registered trademark of Palm, Inc. of Santa Clara, California, and

Applicant does not wish to use that designation as one example. No new matter has been

added.

Additionally, in Fig. 3, the caption "To Cradle" has been clarified to read "To PDA

Cradle." This clarifies the ability of the MSR unit to interface with both the PDA and the

PDA's cradle by being positioned between the two. No new matter has been added.

For the convenience of the Examiner, an additional copy of sheet 3/8 as presently

revised is enclosed, highlighting the above mentioned changes in red ink.

Attachment: Replacement sheet 3/8

Annotated sheet 3/8 showing all changes in red ink

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REMARKS/ARGUMENTS

A. In the Specification

1. Regarding the Title

In response to the Examiner's remark that the title of the invention is not descriptive, Applicant has amended the title to read: "MAGNETIC STRIPE READER ATTACHABLE TO A PERSONAL DIGITAL ASSISTANT AND METHOD OF MAKING SAME."

The new title accurately describes the nature of the claimed invention, as shown, for instance, in Figs. 1-2.

2. Regarding the Written Description

Paragraph [0030] has been amended to define a personal digital assistant ("PDA"), its functions and typical accessories as known in the art (see, for instance, www.palmone.com and www.hp-expo.com/ie/eng/products/glossary_p.html), and to provide proper antecedent basis for the terminology employed in the claims. Minor editorial problems have also been corrected.

Paragraph [0031] has been amended to describe typical PDA accessories and functions that are known in the art, including the PDA cradle, the synchronization port, and the personal identification number pad ("PIN pad"). The added description of a magnetic stripe reader ("MSR") that can be interposed between the PDA and the PDA cradle is supported in the specification as originally submitted, for instance, in Fig. 3. A MSR with an attached PIN pad is known in the art (see, for instance, U.S. Patent 6,234,389 at Fig. 3) and was described at paragraph [0014] of the specification as originally submitted. PIN pads built into a MSR housing are also known in the art.

Paragraph [0032] has been amended to point out that the serial port in the described embodiment is only one of a variety of synchronous ports generally employed on PDAs, and to provide a specific example of the power consumption that is described in more general terms in this paragraph. Minor editorial problems have also been corrected.

Paragraph [0034]-[0035] have been amended to correct minor editorial problems.

Paragraph [0039] has been amended to add a description of the MSR encryption capabilities of the MSR. Encryption of data is a technology known in the art.

New paragraph [0039] has been introduced to expand the description of the inventive MSR to include an external chip. The use of external chips on electronic devices is a technology known in the art.

Paragraph [0041] has been amended to correct minor editorial problems.

B. In the Claims

Claims 1, 3-22, 24-25 remain in this application. Claims 2 and 23 have been canceled. New claims 26-31 have been added. Therefore, upon entry of this amendment, claims 1-31 will be subject to examination.

1. Regarding the Rejection under 35 U.S.C. 112, Second Paragraph

In response to the Examiner's rejections of claims 1-25 as being indefinite, Applicant has amended claims 1, 3-22, and 24-25 to provide clearer meaning to the words or phrases employed in the claims. Because claims 2 and 23 have been canceled, the issue is moot as to those claims.

More specifically, the preambles of all claims have been amended to provide consistency with the title of the invention as presently amended. Further, in claim 1, terms such as "personal digital assistant," "PDA," "synchronization port," and "hot sync" have been introduced in the preamble, in order to create proper antecedent basis within claim 1 and within the claims dependent from claim 1. The specification (as detailed above) and claims 1, 3-22, and 24-25 have also been amended to provide consistency of terminology between the specification and the claims, and within the claims. Other editorial changes have been introduced to make the meaning of the elements of the claims more readily apparent to the reader. None of these changes are intended to narrow the breadth of the claims. No new matter has been added.

With reference to the specific remarks of the Examiner:

Claim 1: The term "the cradle interface signals" has been deleted, and "the PDA" has been defined in the preamble.

Claim 3: The terms "the initiation" and "the PDA's hot sync operation" have been deleted. Further, "hot sync" is introduced in the preamble of claim 1, from which claim 3 depends.

Claim 12: The terms "the transmitted data" and "the card data" have been deleted.

Claim 14: The term "the cradle interface signals" has been deleted, and "the PDA" has been defined in the preamble.

Therefore, any confusion in the claim language, both in relation to other parts of the claims and in view of the specification, has now been eliminated. Removal of the rejection under 35 U.S.C. 112, second paragraph, is respectfully requested.

2. Regarding the Rejection under 35 U.S.C. 102(a)

The rejection of claims 1, 5, 6, 8, and 10-13 as allegedly anticipated by U.S. Patent 6,234,389 to Valliani ("the '389 patent) is respectfully traversed.

The '389 patent teaches a personal digital assistant ("PDA") with an add-on module that includes a magnetic stripe reader ("MSR") having a PCMCIA-compatible interface. PCMCIA interfaces are 8 or 16 or 32 bit parallel synchronous extension bus for the internal computer bus connection by external peripheral devices in nature, and operate at a regulated voltage with 500 mA electrical current available for peripheral devices.

Applicant instead discloses a MSR attachable to a PDA that transfers electrical power from the PDA to the MSR and that exchanges data between the PDA and the MSR through the PDA synchronization port, for instance, through a serial port or a USB port.

Further, the '389 patent teaches a MSR that draws its electrical power from the PDA without any system to minimize the amount of power drawn and thereby reduce PDA battery drainage.

Applicant instead discloses a MSR having a power management function that reduces the time and amount of power drawn from the PDA by causing an automatic startup of the PDA and MSR when a magnetic stripe is swiped, and to be in an idle state otherwise. Further, the inventive MSR can operate with a more limited power consumption than in the '389 patent, more specifically, a maximum power consumption of 2 mA while reading and

decoding data, and of 300 μ A in an idle state. Further the applicant discloses a MSR that does not effect the normal operation of the synchronization port.

As shown, the inventions disclosed in the '389 patent and by Applicant are patentably different. In order to provide greater clarity to the definition of Applicant's invention, claim 1 has been amended to point out in element (b) that power and data are transferred through the PDA serial asynchronous synchronization port, and in element (c) to point out that the power management function controls the automatic powering up of PDA and MSR. New claim 36 has been introduced to specifically define typical maximum power consumption amounts. Claims 5, 6, 8, and 10-13 now allowable as well, being all dependent from presently amended claim 1. As previously discussed, claims 1, 5, 6, 8, and 10-13 have also undergone editorial changes in order to overcome the 35 U.S.C. 112 rejection and to improve clarity of language.

Therefore, Applicant respectfully requests removal of the rejections under 35 U.S.C. 102(a).

- 3. Regarding the Rejection under 35 U.S.C. 103(a)
- a. Claims 2-3

Claim 2 has been canceled, so the issue is now moot as to that claim. The rejection of claims 3 as allegedly unpatentable over U.S. Patent 6,234,389 to Valliani ("the '389 patent") in view of U.S. Patent 5,603,078 to Henderson et al. ("the '078 patent") is respectfully traversed.

The patentable differences between the '389 patent and Applicant's invention have been described in section 2 above. The '078 patent discloses instead an infrared remote control unit including an integrated card reading device that is activated by a mechanical switch or by a sensor detecting the presence of a card (col. 5, 1. 59-60; col. 7, 1. 2-3), which cause either a switch or a resident program to power up the MSR (col. 7, 1. 9-13). Applicant's invention instead is activated when the MSR, in its idle state, detects encoded data on a magnetic stripe, and not by a mechanical switch or a sensor.

Therefore, both the '389 patent and the '078 patent disclose inventions that are patentably different from Applicant's invention, and nothing in the combination of the '389 and '078 patents suggests the claimed invention. In order to point out Applicant's invention with greater clarity, claim 1 has been amended to describe the automatic startups of the PDA

and MSR upon detecting encoded data on the magnetic stripe, which was originally claimed in now canceled claim 2.

In view of the above, Applicant respectfully requests removal of the rejection under 35 U.S.C. 103(a) as to claim 3.

b. Claims 7 and 9

The rejection of claims 7 and 9 as allegedly unpatentable over U.S. Patent 6,234,389 to Valliani ("the '389 patent") in view of Applicant Admitted Prior Art ("AAPA") is respectfully traversed.

The patentable differences between the '389 patent and Applicant's invention have been described in section 2 above. Concerning the AAPA, in paragraph [0006] of the specification Applicant describes the need for a system capable of reading, decoding, and saving information stored on cards such as driver licenses. Applicant further states that a unit made by Symbol performs such functions with high complexity, high component cost, and short battery life. On the contrary, Applicant's invention provides streamlined circuitry with embedded electrical power management.

Because of the differences between Applicant's invention on the one side, and the '389 patent and the Symbol unit on the other side, and because nothing in the combination of the '389 patent and of the Symbol unit suggests Applicant's invention, the removal of the rejection of claims 7 and 9 is respectfully requested.

c. Claims 14-24

The rejection of claims 14-24 as allegedly unpatentable over U.S. Patent 6,234,389 to Valliani (the '389 patent) in view of U.S. Patent 5,603,078 to Henderson et al. ("the '078 patent") and Applicant Admitted Prior Art ("AAPA") is respectfully traversed.

Claim 23 has been canceled, so this issue is moot as to that claim. The Examiner has correctly observed that the claims 14-22 and 24 carry out the methods of making the elements in claims 1, 3, and 5-13, which are now believed to be allowable upon entry of the present amendment. Therefore, Applicant respectfully requests the removal of the rejections of claims 14-22 and 24.

4. Regarding the New Claims

Claim 26 is directed to the typical upper limits in the typical power requirements of the inventive MSR, as discussed in section 2 above.

Claim 27 is directed to the housing of the MSR. Antecedent basis can be found in paragraph [0030], as amended, and in Figs. 1-2.

Claim 28 is directed to the hot sync connection of the PDA through the MSR and the PDA cradle. Antecedent basis can be found in paragraph [0031], as amended, and in Fig. 3.

Claim 29 is directed to a second chip inserted in an external slot of the MSR. Antecedent basis can be found in paragraph [0039.1].

Claim 30 is directed at preventing the transmission of a personal identification number from a PIN pad to the PDA. Antecedent basis can be found in paragraph [0039], as amended.

Claim 31 is directed at a PIN pad included as an integral part in the MSR housing. Antecedent basis can be found in paragraph [0039], as amended.

CONCLUSION

All of the objections and rejections raised by the Examiner have been addressed by Applicant. In view of the amendments and the remarks submitted herein, Applicant submits that the claims are now in condition for allowance and respectfully requests that a timely Notice of Allowance be issued in this case.

If it is felt for any reason that direct communication with Applicant's attorney would serve to advance prosecution of this application to allowance, the Examiner is invited to contact the undersigned, attorney of record in this case, Richard D. Clarke, Esq., at one of the below listed numbers or at his below listed e-mail address.

Dated: February 2, 2005

Respectfully submitted,

LAW OFFICE OF RICHARD D. CLARKE

Richard D. Clarke Attorney for Applicant

USPTO Registration No. 38,846

Richard D. Clarke

Customer No. 022890

Richard D. Clarke, Esq. Law Office of Richard D. Clarke

3755 Avocado Blvd., #1000 La Mesa, CA 91941-7301

Telephone:

619-670-1702

Facsimile:

619-670-7585

E-mail:

RClarkeEsq@att.net



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